

IN THIS ISSUE:

- 2** PRESIDENT'S PERSPECTIVE
- 3** CEO REPORT
- 4** NEW APPLICANT LIST
- 16** OCTOBER CALENDAR

The San Diego REALTOR®

THE TRUSTED VOICE OF SAN DIEGO REAL ESTATE

What's Happening at SDAR • September 2010

2ND ANNUAL REAL ESTATE SUMMIT PROVIDES REALISTIC OUTLOOK

By Glenna A. Bloemen, RMS

Over 700 REALTORS® gathered on August 20, 2010 at the Town and Country Hotel in San Diego to hear about the state of the real estate industry. San Diego Association of REALTORS® President Mark Marquez introduced San Diego Mayor Jerry Sanders who welcomed the attending REALTORS® and commended them for their professional efforts and accomplishments in this real estate climate. Mayor Sanders has been a longtime supporter of economic growth and real estate development in the San Diego area.

Keynote speakers Commissioner of Real Estate Jeff Davi and National Association of REALTORS® Chief Economist Lawrence Yun provided an overview of the real estate market today, a market that has been challenging.

"The good news is," Commissioner Davi greeted the audience with words of optimism, "it is better to wake up in San Diego than Sacramento."

'San Diego is fortunate to have a mayor who supports economic development,

Davi said. The real estate industry has strong leadership in San Diego. Davi explained he comes from a long line of real estate brokers and knows the real estate industry well.

Currently, we are experiencing an influx of new real estate license applicants, Davi said. "Last year we had 548,000 registered real estate agents. It dropped to 478,000 this year. Of those 478,000, approximately 80,000 are inactive agents. Membership in the California Association of REALTORS® is 170,000."

"The condition of our real estate market today," Davi explained, "is the direct result of the mortgage meltdown. Agents pushed the envelope. The looters have preyed on the unsuspecting and insurance fraud was rampant."

Commissioner Davi went on to explain that REALTORS® have faced many challenges, among which have been the loan modification and now the short sale schemes. In 2008, the Department of Real Estate had less than 10 fraud complaints. In 2010, there are currently 2,500 complaints.

The DRE, working in conjunction with the U.S. Attorney's Office and the Department of Corporations, was able to pass SB 94, signed on October 11, 2009, prohibiting up-front loan modification fees. Under the new laws, a foreclosure consultant does not exist.

Our newest challenge with fraudulent issues is the "looters" who have come back into the market with the short sale schemes and the short sale negotiator fees.

"We are actively working to combat these fraudulent practices and to eliminate the fraudulent schemes from the industry. We can stop the fraud by reporting improper activity when we see it," advised Davi.

The next keynote speaker was noted columnist on real estate market trends, Lawrence Yun, NAR Chief Economist, who provided a ray of hope for the real estate industry.

"We are bouncing on the bottom," said Yun. "The worst appears to be over." Those who have weathered the storm should be acknowledged for remaining steadfast in this economic climate, he said.

Yun explained three factors affecting the current real estate market: 1) low mortgage rates; 2) employment; and 3) consumer confidence.

Over the past year, the real estate market has benefited greatly by the

first-time home buyer credit.

From November 2009 until April 2010, we saw an upswing in the home sales. After the tax credit expired in April, there was a drop in sales, and now a pause. However, "we are back on track for recovery," reports Yun.

According to Yun, home values have begun to stabilize over the last 18 months. We are seeing higher-priced homes being sold. San Diego will always have premium value because of its location, Yun advised, and values will vary from coastal versus inland. We see home prices to income ratio underpriced at this time, as well as inventory rising. REALTORS® are getting more listings because the consumers want to buy, and this creates a chain reaction, he said.

Yun added that although we are still dealing with the mistakes of the past, we see more FHA loans being processed and showing financial stability. As the adjustments occur in the lending industry, it is possible that Freddie Mac and Fannie Mac will not exist in the next two years resulting in a different type of organization, Yun advised.

"In the 1990s we saw Freddie Mac and Fannie Mae play hedge games which led to the foreclosures and short sales we see today," Yun explained. "Today, we are coming out of the cycle of distressed sales which I predict will end 2010 through 2011."

Yun concluded by stating the business sector has a slower rate of recovery. Construction is not occurring at previous rates. There is caution in spending and there is uncertainty about the business climate. Unemployment has directly affected the slowdown of investors in the real estate market. Currently, rental homes sales are slow. Investors in this area are usually all cash buyers.

Yun forecasts the following:

1. Moderate GDP. He expects 2.5 percent in the next two years.
2. 1.5 million job creations

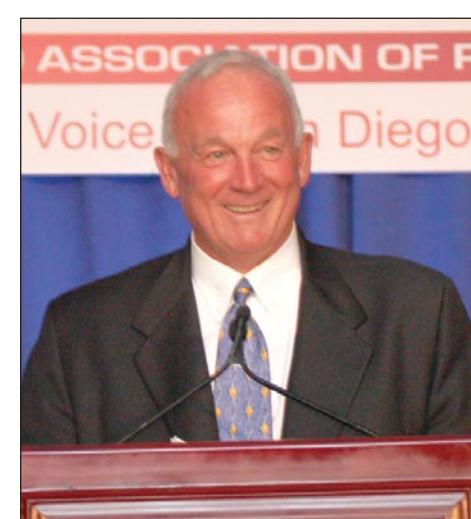
3. Unemployment will reach 8.0 percent by 2012 and by 2015 return to the normal 6.0 percent

"The worst is over," advises Yun. "Mortgage rates will increase, home values will increase approximately 10 percent, and housing development will increase 40 percent to 50 percent in 2011."

"Home sales will struggle for the next three to six months, then rise," he explained.

SDAR thanks all those who attended the summit, the generous sponsors, and the dedicated volunteers.

Glenna Bloemen is a member of SDAR's



PERIODICAL



PRESIDENT'S PERSPECTIVE

I would like to thank everyone who attended the 2nd Annual Regional Real Estate Summit. This was another great event that really provided REALTORS® with the facts they need out there in this market. Dr. Lawrence Yun, NAR Chief Economist, gave us the straight truth, but showed there is still a light at the end of the tunnel. DRE Commissioner Jeff Davi expressed that we still face troubles in our industry with fraud, but in conjunction with his department, we as real estate professionals can help minimize fraud. And what a treat to have Mayor Jerry Sanders join us to remind us that San Diegans enjoy one of the best places to live and are consistently resilient. Please see the cover for a recap and photos.

The first week of October I will head up to Anaheim with a few dozen other

of our C.A.R. Directors for the annual fall business meetings. As always, we will be advocating for our members and our industry needs. The business meetings coincide with the C.A.R. Expo which takes place October 5-7. The Expo features a trade show, Tech Tuesday, special events, and more. If you've never been, I encourage you to make the short drive to Anaheim and see what it's all about. More information is available at <http://expo.car.org/>.

The previous month's sales statistics are featured in the center pages. August sales are down just slightly compared to this time last year. However, sales have crept upward since July, a trend I hope continues in the coming months. Median sales prices have not changed dramatically

when compared to July, but year-to-date median sales prices remain higher than last year, with detached properties up 11.5% and attached up 10%. The statistics and charts are also available for download on our website.

Please know that we value your membership. While the real estate market operates in cycles, we strive to be a solid foundation for you during the highs and lows, and every challenge in between.

Sincerely,

Mark Marquez

foley Publications, Inc.

800.628.6983 • www.foleypub.com

AFFILIATES

Continue protecting the housing market and support your Association by Advertising!



The San Diego REALTOR®

THE TRUSTED VOICE OF SAN DIEGO REAL ESTATE

4845 Ronson Court • San Diego, CA 92111-1803

2010 Officers

Mark M. Marquez - President
Robert F. Kevane, CPA - President-Elect
Raylene Brundage, RMS - Vice President
Linda Lee, CPA, CRS, e-PRO, GRI, RMS - Treasurer
Erik Weichelt - Immediate Past President
Michael T. Mercurio, Esq. - Chief Executive Officer

2010 Directors

Chris Anderson, RMS, SFR, GRI
Dennis D. Baker, CRS
Glenn Bennett
Bruce Bourdon
Drew Burks, e-PRO, ABR, RMS
Karla Cohn
Barbara DuDeck, GRI, CRS, RMS, QSC
Dan Hill, CRS, GRI, SRES, e-PRO, RMS
Liz Hoffman, GRI, CRS, e-PRO
Caryl Iseman, GRI
Charles Jolly, GRI
Leslie Kilpatrick
Mary E. Mitchell, CRS, SRES, e-PRO
Vernice Ross, GRI, RMS
Donna Sanfilippo, GRI
Cory Shepard
Michael Spilger, Esq.
Ken Tablang, GRI, CRS
Dwight Tinker
Brian Westre, CRS, SRES, e-PRO

Honorary Directors

Robert Lowry Smith

Production Staff

Molly Kirkland - Managing Editor
David Pedersen - Communications Assistant
Foley Publications - Design & Art Direction
Neil Dulay - Multimedia Content Producer

SDAR Staff

Executive

Michael T. Mercurio - Chief Executive Officer
Catherine Smiley Jones - Vice President of Operations

Accounting

David Kvendru - Controller

Communications

Molly Kirkland - Director of Communications

Government Affairs

Scott Molloy - Director of Government Affairs

Marketing

Michael Harris - Director of Marketing

Member Services & Education

Shirley Carroll - Director of Education
Joseph Chargualaf - Membership Services Manager

Risk Management

Kate Speir - Director of Risk Management

Service Center

Janet Chenier - Retail Director

San Diego REALTOR® (ISSN 1096-8210; USPS 479-460) is the official publication of the San Diego Association of REALTORS®, which is affiliated with the National Association of REALTORS® and the California Association of REALTORS®.

San Diego REALTOR® is published monthly. Member subscription rate, included in dues, is \$6 annually. Periodicals postage paid in San Diego, CA. POSTMASTER: Send address changes to San Diego REALTOR®, 4845 Ronson Court, San Diego, CA 92111. Telephone: (858) 715-8000.

All copy for publication should be mailed to the Editor, San Diego REALTOR®, 4845 Ronson Court, San Diego, CA 92111, by the 20th of the month preceding the month of publication. All copy is subject to editorial approval.

San Diego REALTOR® and its publisher, the San Diego Association of REALTORS®, in accepting advertisement in this publication, make no independent investigation concerning the services or products advertised, and they neither endorse nor recommend the same nor do they assume any liability thereof.

The opinions expressed in the articles are not necessarily the opinions of the San Diego Association of REALTORS®, NAR or C.A.R., and therefore they make no warranties and assume no responsibility for accuracy or completeness of the information herein. Information should not be relied upon without the consultation of your accountant or attorney, with whom you may wish to discuss the applications of the opinions to facts in individual situations.

This is a copyrighted issue. Permission to reprint or quote any material from the issue may be granted upon written inquiry and provided the San Diego REALTOR® is given proper credit in all reprinted articles or commentaries. The term "REALTOR®" is a national registered trademark for members of the National Association of REALTORS®. The term denotes both business competence and a pledge to observe and abide by a strict code of ethics.

FROM THE DESK OF THE CEO

I hope you had a nice Labor Day holiday. SDAR is poised and ready to assist you as you get back into work-mode.

I would like to thank everyone who attended the Young Professionals Network (YPN) mixer on September 9. I hope you enjoyed yourself and found it useful. For REALTORS®, networking is a must. And in this day and age when we are all on the go, "speed networking" is a useful business tool. If you haven't had a chance to get involved with SDAR's YPN, I encourage you to attend an upcoming mixer. All ages are welcome. Find out more on sdar.

BOARD OF DIRECTORS HIGHLIGHTS OF AUGUST 2010 MINUTES

• President's Report: Mark Marquez reported that he recently spoke before the San Diego City Council against an additional sales tax. He also presented 2009 President Erik Weichelt with a certificate acknowledging his participation in the Baja REALTORS® Conference. Marquez read a thank-you card from one of the San Diego Police Officers who received assistance through the Ambassadors Foundation for the purchase of a home.

• President's-Elect's Report: Bob Kevane reported that he has spoken at a couple of the New Member Orientations, and attended the recent Economic Development Corporation annual dinner, and the San Diego Housing Federation's 20th Anniversary gathering.

• Vice President's Report: Raylene Brundage reported that she continued to attend local caravans throughout the city.

• Chief Executive Officer's Report: Michael Mercurio reported that the Membership Department has worked hard to reduce wait times for all incoming calls, with 92% of calls being answered within two minutes.

• Committee Business: Upon recommendation of the Government Affairs Committee, the Board of Directors unanimously endorsed Brian Jones for the 77th State Assembly District.

Upon recommendation of the Government Affairs Committee, the Board of Directors unanimously supported the Stakeholder Coalition County General Plan Update White Paper Executive Summary, and to support efforts to work with SDAR's coalition partners to pursue legislative and political resolution of the outstanding General Plan Update issues.

com or on SDAR's Facebook page.

We recently added a new page to our website: "REALTOR® Networking Groups." There are quite a few groups locally that offer networking functions, education events, information, and more. Visit the "REALTORS®/Membership" section of our website to find this page. You'll find brief descriptions of the groups and links to their websites. We will be adding on to this page so check back often.

Our open house listings have really taken off. Over the last month or so we have had an average of over 50 listings and hundreds of page views each week. Our list of available rental properties continues to grow as well. If you haven't taken advantage of these free member services, I encourage you to login to "My Account" on our home

page and submit your open houses. It's simple to do, and staff is available to walk you through the steps.

Next month's issue of the San Diego REALTOR® will be one you will want to read right away. It will feature a candidate guide for our Annual Election of Officers and Directors, taking place October 25 through November 4. The candidate guide will feature all the candidates and their statements, as well as the officers' answers to candidate questionnaires. You will want to have read all this information when you go to the online polls to cast your vote for the future of your association.

Don't forget to save November 12 on your calendar for our annual Membership Appreciation Day, when we highlight our members' dedication

to the real estate industry and thank you for your support in the past year. I look forward to seeing you there, and at many of SDAR's upcoming classes and events.

Sincerely,



Michael T. Mercurio

WELLS FARGO

HOME MORTGAGE

Sound Solutions for Upscale Home Financing Private Mortgage Banking

Your Wells Fargo Private Mortgage Banker excels at providing sound solutions for upscale home financing. Our unparalleled service accommodates your sophisticated level of needs and preferences, and our vast array of products ensures the complete satisfaction you expect and deserve.



Dale R Smith

Branch Manager • Private Mortgage Banking

501 W. Broadway Suite 1300 • San Diego, CA 92101

Phone: 619-615-3604 • Fax: 866-359-8225 • Cell: 619-218-5757

dale.r.smith@wellsfargo.com • www.wfhm.com/dale-smith

Serving the San Diego community for over 19 years

Wells Fargo Home Mortgage is a division of Wells Fargo Bank, N.A. © 2009 Wells Fargo Bank, N.A.
All Rights Reserved. #66723 9/09-12/09





The following people have applied for membership in the San Diego Association of REALTORS®. Any objections to the admittance should be addressed in writing to the Membership Committee, San Diego Association of REALTORS®, P.O. BOX 85586, San Diego, CA, 92186-5586.

Designated REALTORS®

Elias Badin - Elias Badin Realty
 Regina Brown - Cal. Coast & Country Homes
 Peter Dursi - USAeBroker
 Paul Hanks - Paul A. Hanks Realty & Brokerage
 James Jackson - Jackson Pendo Development Co.
 Michael Lloyd - Michael R. Lloyd
 Adam Manville - Capstone Realty & Financial
 Renzo Marsano - Mar Financial, Inc.
 Matthew McFarland - MM Farland, Inc.
 Patricia Nunez Odermatt - Mission Real Estate
 Randall O'Connell - Randall Coe O'Connell
 Donna Schempp - Donna Wilson Schempp

REALTORS®

Lizet Aguinaga - Keller Williams SD Metro
 Penafe Amio - San Felipe Realty & Mtg., Inc
 David Arana - Keller Williams Realty
 Adriana Avalos - HomeReach.com
 Angela Avilez - Ashlon Realty
 Richard Bandy - Keller Williams Realty La Jolla
 Robin Barron - Quality First Real Estate
 Jessica Bedolla - J. Walter Williamson Realty
 Alicea Caccavo - Keller Williams Carmel Valley
 Carl Carlsen - Prudential California Realty
 Ana Cates - San Felipe Realty & Mtg., Inc.
 Kelly Chamberlin - Keller Williams Realty
 Kenneth Chin - Keller Williams Realty
 Catherine Clark - Select Homes & Investments
 Maurice Cohn - Oceanfront Realty
 Stephen Cruce - SD County Realty, Inc.
 Julie Dartt - ERA Eagle Estates, Inc.
 Theresa Davis - Park Life Real Estate

Gregory De Lira - Windermere Pacific Coast Prop.
 Alexandra De Rosa - Prudential California Realty
 Abdul Dulin - Keller Williams Realty
 Justin Epstein - Century 21 Award
 Rachel Fairburn - Middleton & Associates
 Lisa Falletta - Park Life Real Estate
 Ricardo Flores - Eastlake Realty
 Karen Foreman - Keller Williams Carmel Valley
 Jessica Freeman - ARG Abbott Realty Group
 William Gaskins - Brian Duarte
 Hollie Gomez - The Registry Real Estate Group
 Monica Griffin - Keller Williams La Jolla UTC
 James Handley - Pacific Properties San Diego
 Michael Harris - Realty Executives Dillon
 Teresa Haynes - Keller Williams
 Lisa Herndon - Windermere Exclusive Properties
 Nhan Huynh - City Home Realty & Mortgage
 Ann Jirjis - Century 21 Award
 Amanda Jones - Willis Allen Real Estate
 Amy Jones - Palomar Bancorp
 Pamela Jones - Allison James Estates & Homes
 Cassandra Joseph - Coldwell Banker Commercial NRT
 Lynn Joseph - Coldwell Banker Commercial NRT
 Claudia Klopchin - The Roby Company
 Daphne Lavi - Keller Williams Realty
 Daniel Lecuna - USA Financial Consultants, Inc.
 Brittany Liebman - Rowling Real Estate
 Yvonne Lillo - B W Real Estate Group
 Peter Marsh - Realty Source, Inc.
 Tara Martinez - Allen Realty Group
 Matthew McGinnis - Prudential California Realty
 Doreen McKee - Vance Properties
 Erin Mirich - Keller Williams Carmel Valley
 Cheryl Mueca - Avenue Realty Services
 Mauricio Noriega - Prudential California Realty
 Charles Ombres - Prudential California Realty
 Samuel Powell - ZipRealty, Inc
 Hazem Qabouq - Century 21 Award
 Mario Ramirez - Prudential California Realty

Douglas Rhoades - Prudential California Realty
 Elpidio Rivera - Prudential California Realty
 Derek Rotzinger - Prudential California Realty
 Kalinka Rutberg - Avalon Real Estate Services
 Prabhsaran Sachdev - Coastal California Funding Group
 Juan Saffon - Prudential California Realty
 Jesse Salas - Conventional Properties, Inc.
 Brett Savage - Prudential California Realty
 Samantha Scheel - Realty Source, Inc.
 Kenneth Schmitt - Coldwell Banker Residential
 Ashley Shapiro - Coldwell Banker Residential
 Anna Skaff - Premier Realty Associates
 Ed Smith - Prudential Dunn, REALTORS®
 Matthew Snyder - Five Star Assets
 Thomas Spicci - JT Altman & Associates
 Yong Staar - Keller Williams Carmel Valley
 Bin Tang - ZipRealty, Inc
 Cyanne Tieu - Cali-Land, Inc.
 Brian Togubat - RE/MAX Hometown, REALTORS®
 Kevin Treece - Keller Williams Realty
 Terry Vienna - Windermere Exclusive Properties
 Jennifer Will - Realty Connex
 Armando Yaotani - Stonegate Realty & Mortgage

Secondary Members

Designated REALTORS®

Earl Bonawitz - Realestate.com
 David Cohen - David S. Cohen
 Kevin Garris - Select Homes & Investments
 Chris Koseman - South Coast GMAC Real Estate
 Kenneth Moon - Allison James Estates & Homes
 Jason Saphire - Jason Saphire
 Steve Vanderhei - Grand Pacific Realty and Mtg.

REALTORS®

Victor Marquez - ZipRealty, Inc.
 Roland Munger - First Team Real Estate



A Third Generation Family Business



Robert Mani
858.245.5615
www.LuxGlobal.com

Industry Leading Turnaround Times
 In 2009, 85% of sign orders shipped in under 5 days. 99% of sign orders shipped in 10 days or less.

Design, Proof & Order Online @ DeeSignSanDiego.com

Sign Installation

- Over 120,000 Installs & Removals in 2009
- Place Up & Down Orders Online
Reduces errors from misread handwriting and creates error accountability.
- In-Area Installations Completed in 1 to 2 Business Days
- Order Confirmations Sent Via E-mail
- "Signs in the Field" List in Real Time
Keep in touch with all signs on your current listings.
- Rent Brochure Boxes
- Online Access to Past Invoices



San Diego: 1.888.791.SIGN
 Riverside County:
 Orange County: 1.800.824.2565



Local: 858.751.2900
 Local: 951.696.5755
 Local: 714.871.5115

Fast Tracks to Success

Professional development courses designed to increase your business

Maximize your learning potential with SDAR's education tracks.

- **Take courses** specific to your real estate experience
- **Save 40 to 60%** compared to enrolling in individual courses
- **Eliminate the guesswork** when deciding which courses to take

Visit www.sdar.com and click on "Education" then select "Fast Tracks to Success" to learn more or call the Education Department at (858) 715-8040.



2010 SURVEY OF CALIFORNIA HOME BUYERS - HIGHLIGHTS

The Survey of California Home Buyers is the 11th annual California Association of REALTORS® (C.A.R.) buyer survey that details how home buyers have changed their behaviors in recent years to adapt to the new housing market environment and to the increased use of the Internet in the real estate business.

- First-time buyers took advantage of the improvement in housing affordability over the past two years, as evidenced by the increase in their share of all home buyers. The share of first-time buyers increased for the second consecutive year from 38 percent in 2009 to 46 percent in 2010. It was the record high since the inception of the survey in 2002 when only 7 percent of home buyers were first-timers.
- The federal home buyer tax credit was an influencing factor in the buyer's decision to purchase. The influence was especially pronounced for first-time buyers, with three-quarters of them admitting that the tax credit had an impact on their decision to buy their home.
- Despite its influence on first-time buyer's decision to purchase a home, the federal tax credit was not the primary reason to buy for most. For those who considered the tax credit as their primary reason to purchase their home,

it is very possible that they were lacking a down payment for their home purchase, and hoping that the tax credit will be enough to cover it.

- With distressed properties generally sold at a bigger discount than regular market sales, the share of home buyers who were interested in purchasing REO/bank-owned properties and short-sale homes increased from 2009. Home buyers who bought an REO/bank-owned property increased slightly from 38 percent in 2009 to 41 percent in 2010, while those who purchased a short-sale home increased from 13 percent to 16 percent. The increase in the interest in REO and short-sale properties was fueled primarily by first-time buyers.
- Home buyers were more optimistic about future home prices than buyers in 2009. Nearly a quarter (23 percent) of them believed that home prices in their neighborhood will go up in one year, as compared to 8 percent in 2009.
- Despite an increase in the share of first-time buyers, home buyers in general were putting a larger percent of down payment for their home purchase when compared to 2009. On average, first-time buyers put an average of 23.1 percent as their down payment in 2010, while repeat buyers put an average of 37.3 percent. The percentages of down payment for both groups were higher when compared to those in 2009.

• Home buyers continued to experience considerable difficulty in obtaining financing for the homes they bought. On a scale of 1 to 10, with 1 being "very easy" to obtain financing and "10" being "very difficult", home buyers reported an average level of difficulty of 8.5, compared to 8.1 in 2009.

- When asked why they were satisfied with their agent, home buyers continued to cite "always quick to respond" (74 percent) and "negotiated good deal on their behalf" (69 percent) as the top two reasons for satisfaction. "Not negotiating aggressively" has been the most cited reason for buyers' dissatisfaction with their agent in the last two years. With home prices falling sharply from the peak years and distressed properties galore in the market, many home buyers had very high expectations of their agent in the negotiation process.
- Overall, the majority of home buyers were pleased with their agent, and 72 percent of them would use the same agent again in the future, an increase from 64 percent in 2009. The increase was the second year in a row, and the percent of home buyers who would use their agent again was the highest since 2007. Seventy-five percent of first-time buyers and 70 percent of repeat buyers said they would use the same agent again.

Reprinted from C.A.R. Online with permission, Copyright 2010.

FANNIE MAE TO PROHIBIT 'APPRAISAL CUTTING'

Starting in September, Fannie Mae has banned a common practice known as "appraisal cutting."

When lenders selling loans to the firm challenge a valuation, the underwriter will have to contact the appraiser directly. If the lender is unable to settle the dispute, its only option will be to order a second appraisal.

Lenders will be unable to simply cut the value of the appraisal or shop around for the best appraisal.

Source: American Banker, Kate Berry and Marc Hochstein (08/26/10).

Finance your home purchase with Greenpath Funding

An affiliate of Wells Fargo Home Mortgage

Backed by the strength of Wells Fargo Home Mortgage, you can rely on the strength and stability of a well-established lender when you work with Greenpath Funding.

- Trust our commitment to helping as many customers as possible enjoy the benefits of homeownership.
- Expect us to work closely with you to explore and explain options that are right for your budget and goals.
- Know we work hard to help customers stay in their homes in times of financial difficulty.

Shop with reassurance

Make a standout bid on the home you want. Ease uncertainty with our solid PriorityBuyer® preapproval decision, backed by our On-time Closing Guarantee.¹

Count on us

Let Greenpath Funding help you find a financing solution that serves your immediate needs and sets the stage for long-term financial security.

Dan Palmer Kathy Trolinger Lisa Anthony Petra Law Randy Nathan Mark Raudenbush
858-229-6264 619-208-0460 858-248-6197 949-643-4869 619-200-3070 949-636-9252

 **GreenpathFunding**
An Affiliate of Wells Fargo Home Mortgage

Contact Greenpath Funding today.

 Brian Liebman Branch Manager 949-860-3495	 Brian Fraser 714-488-2245	 David Gaylord 949-939-6011	 Jeffrey Dunlap 949-382-8065	 Ramzi Sliheet 949-887-9535
 David Morris Sales Manager 760-212-8252	 Doc Spaulding 858-750-9110	 George Radlick 760-579-1998	 Joel Berman 619-279-2935	 John Sagredo 619-922-7933
 Josh Lander 619-602-1587	 Manny Cien 619-277-3431	 Mark Joplin 619-368-1294	 Pam Branigan 619-368-8029	 Suzy Dukelow 949-632-5148

1. Available on all qualified purchase transactions. Other terms and conditions apply. See a home mortgage consultant for details.

This information is accurate as of date of printing and subject to change without notice.

All first mortgage products are provided by Greenpath Funding, LLC. Greenpath Funding, LLC may not be available in your area.

Wells Fargo Home Mortgage is a division of Wells Fargo Bank, N.A. ©2010 Greenpath Funding, LLC. All Rights Reserved. AS300886 7/10-10/10



STAKEHOLDERS UNITE TO FIX COUNTY GENERAL PLAN UPDATE

By Scott Molloy

The San Diego Association of REALTORS® has joined a diverse group of stakeholders in an effort to get San Diego County's General Plan Update on the right track. The coalition includes farmers, rural property owners, REALTORS® and business organizations. The coalition's message to the County Board of Supervisors is clear: Eliminate the severe downzoning and develop the land use tools necessary to make the plan work. Our coalition has prepared a "white paper" that details the major flaws with the plan and offers solutions for fixing them.

The county's General Plan is the blueprint for growth for the 84% of the county that is unincorporated. Communities like Lakeside, Alpine, Ramona, Valley Center, and Fallbrook are projected to experience significant population growth over the next two decades, and the updated plan is intended to lay out how these communities will grow. The problem is that the plan lacks the policy structure and implementing tools necessary to ensure that these communities grow responsibly. It also proposes a severe downzoning of more than 400,000 acres of privately owned land, stripping these properties of nearly all of their economic value and use.

Under the plan, rural property owners would be required to conserve upwards of 95% of their property without any compensation and then be responsible for that property that they cannot use. This requirement, combined with the severe downzoning, reads like a government taking of private property without compensation, an issue that has sparked outrage in rural communities and intense opposition from farmers and rural property owners. This issue of equity and fairness is a central theme in the "white paper."

The issues of the downzoning and the need for effective implementing

tools have been a core message of property owners and business organizations since the beginning of the update process which began more than 12 years ago. It is unfortunate that these core issues remain unresolved.

The county's General Plan Update is tentatively scheduled for a hearing before the Board of Supervisors on Wednesday, October 20. It is now in the hands of the Board of Supervisors to right the ship and address these fatal flaws in the Plan before it is adopted.

For more information about the county General Plan Update, visit www.sdcounty.ca.gov/dplu/index.html.

**WELLS
FARGO**

**HOME
MORTGAGE**



Dedicated to helping you put buyers into homes

Your goal is to turn buyers into homeowners. That's our goal too. And, as the nation's #1 residential¹ mortgage lender, we provide a wide array of products and programs. So no matter what your client's home buying goals, we can help find a program to meet nearly any homebuyer need.

- Purchase loans including FHA and VA programs
- Mortgages for high-end purchases
- Investment property financing
- New construction and renovation loans
- Reverse mortgages²

No other lender is as dedicated to delivering quality products and services to you and your clients as Wells Fargo Home Mortgage.

We're ready to help you put buyers into homes.
Contact your Wells Fargo Home Mortgage consultant today.

1-800-681-1371

Joanna Busalacchi-Caudill
Area Manager
San Diego

Steve Sawyer
East County

Renee Meyer
Del Mar & Rancho Santa Fe

Rhonda Beathard
Downtown San Diego

Albert Banigo
South Bay

Scott Allen
Metro San Diego

1. Based on 2008 yearend statistics by Inside Mortgage Finance 1/30/09.
2. Borrower must be 62 years of age or older. Call for more detailed program information. Wells Fargo Home Mortgage is a division of Wells Fargo Bank, N.A. © 2010 Wells Fargo Bank, N.A. All rights reserved. #158112 01/10-04/10

Together we'll go far



SELLING DEFAULTED PROPERTIES TO INVESTORS REQUIRES DILIGENCE

By Kathy Mehringer

Brokers and agents ought to be aware of the special requirements when selling properties in default to investors. Knowledge of the Home Equity Sales Contracts Law (HESC) as outlined in California Civil Code §§ 1965 through 1965.17 applies to residential sales if ALL of the following conditions are met:

- (1) the property being sold is residential one-to-four units;
- (2) the owner currently occupies the property;
- (3) a Notice of Default (NOD) has been recorded against the property; and
- (4) the buyer is an investor who does not intend to occupy the property

The HESC set of laws were enacted to counteract various schemes prodded by unscrupulous individuals which resulted in unsophisticated homeowners, under financial duress, entering into complex transactions which often resulted in them losing their homes.

The schemes frequently included transferring title to the equity purchaser at the same time as the contract was signed, giving the seller no

opportunity to consider the transaction.

The intent and purpose of these laws were to:

- Provide homeowners with information necessary to make informed, intelligent sales decisions;
- Require written sales agreements;
- Safeguard the public against deceit and financial hardship;
- Ensure fair dealing in the sale and purchase of homes in foreclosure;
- Prohibit misleading representations;
- Restrict unfair contractual terms;
- Provide homeowners reasonable opportunity to rescind sales to equity purchasers; and
- Protect homeowners' equity.

A seller who qualifies for protection under the HESC is entitled to the following legal rights:

- FIVE-DAY CANCELLATION PERIOD: Cancellation of the purchase contract by the equity seller is permitted for 5 full business days from the date the equity seller signs the contract or up to 8:00 a.m. of the trustee's sale date, whichever occurs first;

• TWO-YEAR CONTRACT RESCISSION PERIOD: The seller can rescind any transaction found to be unconscionable within two years of recordation of the conveyance.

- NO WAIVER BY SELLER: The seller may not waive any provision of these laws.
- NO LIMITATION ON PURCHASER'S DAMAGES: The sales contract itself cannot limit the liability of the equity purchaser from damages resulting from its statements or conduct, or of its representative.

The law requires precise and exact conduct of the equity purchaser and its representative as follows:

- No untrue or misleading statements regarding value, proceeds, contract terms, seller's rights, or obligations.
- No executed instrument of conveyance until the seller's 5-day cancellation period has elapsed.
- No recordation of any instrument of conveyance signed by the seller until the seller's 5-day cancellation period has elapsed.
- Cannot transfer or encumber or purport to transfer or encumber any interest in such property to

any third party until the seller's 5-day cancellation period has elapsed.

- No payment to the equity seller any consideration until the seller's 5-day cancellation period has elapsed.
- Must return any documents signed by equity seller within 10 days following receipt of notice of cancellation, without any conditions.

If the equity purchaser violates the above requirements or takes unconscionable advantage of the owner in foreclosure, the seller may file a court action for recovery of all damages, injunction, other equitable relief, or a combination of these remedies. Furthermore, fraud or deceit upon the equity seller may result in criminal penalties on the equity purchaser up to \$25,000 or up to one year in jail.

A real estate agent acting as a representative of the equity purchaser must:

1. Provide written proof to the equity seller that the representative has a valid, current California real estate sales license.

page 13 ►

When they get ready to sell again, will they remember to call you?

 Keep in touch with former clients and new contacts by sending a fun brochure each month! The outside panel is personalized for you. Your clients will look forward to receiving them! And if they're looking to buy or sell a home, or know someone who is, YOU are the agent to call. (And your number is right on hand!) Call or email and we'll send you samples.

VIVID
DIGITAL DESIGN
Ask for Melinda

858-581-6067 • vivid12@aol.com

Referral Fee of 20% or more!
Maximize your earning power with

www.CommercialReferral.net

The Commercial Referral Network is a system designed to assist your clients with their commercial real estate needs while rewarding you with a referral fee of 20% or more!

NAI San Diego
Commercial Real Estate Services, Worldwide.

Office Industrial

Land Investment

Retail Management



Shirley Kanamu
Broker
619.787.6374



Vince Provenzano
Broker
619.838.0000



RESTORATION:

- Cabinetry and countertop repairs
- Flooring, drywall, trim and paint
- Plumbing repairs
- Waterproofing, grading, and moisture control
- We can arrange for 3rd party testing and hygienist prepared protocols.

MOLD REMEDIATION:

- Water damage cleanup, dryouts
- Small or large projects welcome
- Full remediation with containment zones
- Negative air pressurization
- HEPA air scrubbers and HEPA vacuuming

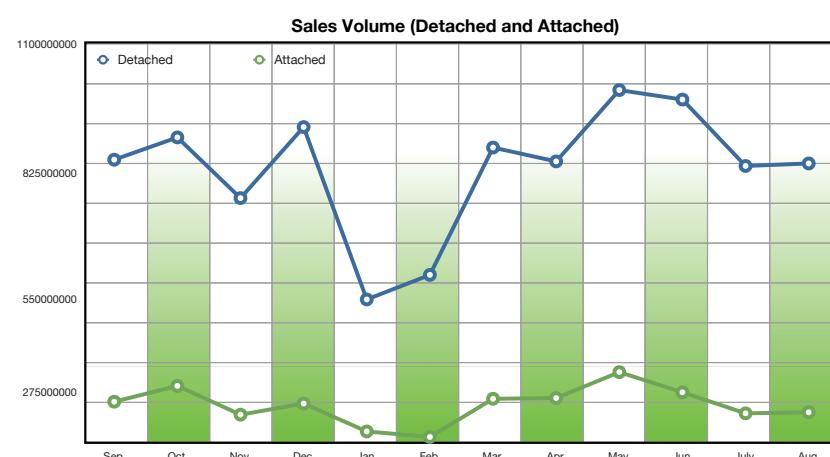
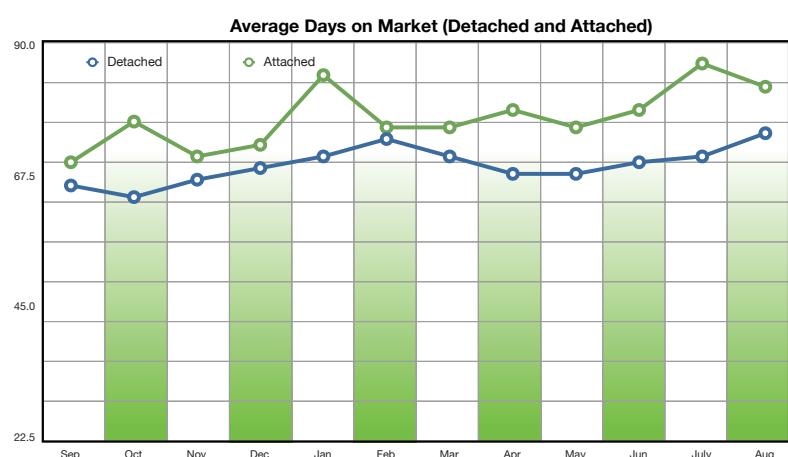


AUGUST STATISTICS DETACHED HOMES

Current Year - 2010								Previous Year - 2009								Current Year - 2010								Previous Year - 2009																								
		SOLD LISTINGS		AVG DAYS ON MARKET		MEDIAN PRICE*		SOLD LISTINGS		AVG DAYS ON MARKET		MEDIAN PRICE*				SOLD LISTINGS		AVG DAYS ON MARKET		MEDIAN PRICE*		SOLD LISTINGS		AVG DAYS ON MARKET		MEDIAN PRICE*																						
Zip Code	Market Area	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD																					
91901	Alpine	18	120	76	76	\$422,500	\$425,000	13	111	99	90	\$395,000	\$430,000	28	264	87	70	\$487,000	\$525,000	34	260	72	73	\$526,000	\$486,000	28	264	87	70	\$526,000	\$486,000																	
91902	Bonita	8	90	57	74	\$477,500	\$464,900	5	94	130	68	\$415,000	\$423,500	35	248	95	85	\$350,000	\$329,000	25	231	89	92	\$290,000	\$325,000	35	248	95	85	\$350,000	\$329,000																	
91905	Boulevard	1	11	15	86	\$130,000	\$125,000	0	13	0	92	\$0	\$155,000	0	0	0	0	\$0	1	4	31	55	\$70,000	\$89,440	0	0	0	0	\$0	\$0																		
91906	Campo	7	37	160	109	\$155,000	\$145,000	9	56	63	90	\$135,000	\$154,400	9	119	78	162	\$1,950,000	\$1,942,500	9	66	182	140	\$2,400,000	\$2,475,000	9	119	78	162	\$1,950,000	\$1,942,500																	
91910	Chula Vista	34	269	57	60	\$277,500	\$321,000	48	292	48	66	\$307,500	\$305,950	29	330	83	79	\$359,000	\$364,500	31	266	88	73	\$370,000	\$354,950	32	256	45	63	\$350,500	\$340,500																	
91911	Chula Vista	36	283	89	73	\$300,000	\$290,000	50	387	56	66	\$249,500	\$263,000	20	170	53	77	\$390,750	\$367,000	21	169	73	71	\$375,000	\$359,470	20	170	53	77	\$390,750	\$367,000																	
91913	Chula Vista	42	343	83	89	\$406,500	\$380,000	31	349	71	68	\$370,000	\$380,000	0	0	0	0	\$0	\$264,450	0	4	0	206	\$0	\$307,500	0	0	0	\$0	\$307,500	\$307,500																	
91914	Chula Vista	7	143	109	80	\$535,000	\$505,000	15	196	52	66	\$535,000	\$500,000	24	235	33	50	\$351,750	\$344,500	24	232	58	71	\$348,250	\$325,500	24	235	33	50	\$351,750	\$344,500																	
91915	Chula Vista	38	265	82	85	\$365,950	\$380,000	29	330	83	79	\$359,000	\$364,500	7	62	55	85	\$1,030,000	\$992,500	4	38	160	106	\$1,200,000	\$1,200,000	7	62	55	85	\$1,030,000	\$992,500	\$1,030,000	7	62	55	\$1,030,000	\$992,500	\$1,030,000										
91916	Descanso	2	15	231	125	\$86,088	\$205,000	0	9	0	200	\$0	\$215,000	20	170	53	77	\$390,750	\$367,000	21	169	73	71	\$375,000	\$359,470	20	170	53	77	\$390,750	\$367,000	20	170	53	77	\$390,750	\$367,000	\$390,750	20	170	53	\$390,750	\$367,000	\$390,750				
91917	Dulzura	0	2	0	116	\$0	\$207,500	1	2	26	36	\$104,000	\$152,000	26	142	90	99	\$412,500	\$420,000	16	144	116	110	\$415,500	\$400,000	26	142	90	99	\$412,500	\$420,000	26	142	90	99	\$412,500	\$420,000	\$412,500	26	142	90	\$412,500	\$420,000	\$412,500				
91931	Guatay	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	24	235	33	50	\$351,750	\$344,500	24	232	58	71	\$348,250	\$325,500	24	235	33	50	\$351,750	\$344,500	24	235	33	50	\$351,750	\$344,500	\$351,750	24	235	33	\$351,750	\$344,500	\$351,750				
91932	Imperial Beach	9	69	123	63	\$304,000	\$290,000	10	66	80	81	\$275,563	\$267,450	35	248	95	85	\$350,000	\$329,000	25	231	89	92	\$290,000	\$325,000	35	248	95	85	\$350,000	\$329,000	35	248	95	85	\$350,000	\$329,000	\$350,000	35	248	95	\$350,000	\$329,000	\$350,000				
91934	Jacumba	2	6	91	60	\$23,500	\$35,500	0	5	0	31	\$0	\$72,900	0	0	0	\$0	\$0	1	4	31	55	\$70,000	\$89,440	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	\$0					
91935	Jamul	7	60	120	97	\$405,000	\$389,500	6	46	43	79	\$485,000	\$488,500	31	246	97	74	\$475,000	\$478,000	25	303	100	72	\$510,000	\$490,000	31	246	97	74	\$475,000	\$478,000	31	246	97	74	\$475,000	\$478,000	\$475,000	31	246	97	\$475,000	\$478,000	\$475,000				
91941	La Mesa	21	201	51	72	\$450,000	\$406,000	30	215	41	63	\$361,750	\$352,000	0	14	0	132	\$2,465,000	1	12	397	255	\$1,070,000	\$1,681,250	0	14	0	132	\$2,465,000	1	12	397	255	\$1,070,000	\$1,681,250	\$1,070,000	0	14	0	132	\$2,465,000	1	12	397	255	\$1,070,000	\$1,681,250	\$1,070,000
91942	La Mesa	13	132	44	52	\$340,000	\$331,325	11	70	97	66	\$315,000	\$338,750	24	235	33	50	\$518,500	\$581,750	0	3	0	159	\$480,000	\$171,000	24	235	33	50	\$518,500	\$581,750	24	235	33	50	\$518,500	\$581,750	\$518,500	24	235	33	\$518,500	\$581,750	\$518,500				
91945	Lemon Grove	14	149	60	70	\$257,500	\$265,000	16	180	60	77	\$240,000	\$230,000	20	170	53	77	\$705,000	\$700,000	9	62	34	61	\$625,000	\$637,111	20	170	53	77	\$705,000	\$700,000	20	170	53	77	\$705,000	\$700,000	\$705,000	20	170	53	\$705,000	\$700,000	\$705,000				
91948	Mount Laguna	0	3	0	112	\$																																										

AUGUST STATISTICS ATTACHED HOMES

Current Year - 2010								Previous Year - 2009								Current Year - 2010								Previous Year - 2009													
Zip Code	Market Area	SOLD LISTINGS		AVG DAYS ON MARKET		MEDIAN PRICE*		Mth	YTD	SOLD LISTINGS		AVG DAYS ON MARKET		MEDIAN PRICE*		Mth	YTD	SOLD LISTINGS		AVG DAYS ON MARKET		MEDIAN PRICE*		Mth	YTD	SOLD LISTINGS		AVG DAYS ON MARKET		MEDIAN PRICE*							
		Mth	YTD	Mth	YTD	Mth	YTD			Mth	YTD	Mth	YTD	Mth	YTD			Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD								
91901	Alpine	0	8	0	137	\$0	\$158,750	1	10	18	104	\$220,000	\$177,500	3	28	82	59	\$320,000	\$285,000	2	37	110	76	\$170,500	\$188,000	5	32	79	96	\$160,000	\$160,000	6	38	45	102	\$142,000	\$139,950
91902	Bonita	3	14	28	65	\$140,700	\$141,100	3	34	39	72	\$225,000	\$210,000	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	\$0	\$0		
91905	Boulevard	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	\$0	\$0		
91906	Campo	0	1	0	0	\$0	\$87,950	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	\$0	\$0		
91910	Chula Vista	19	116	44	72	\$180,000	\$155,000	15	154	42	82	\$160,000	\$152,750	17	220	77	72	\$133,000	\$125,000	13	136	29	81	\$210,000	\$220,000	18	87	51	65	\$132,000	\$138,000	16	102	39	70	\$131,000	\$139,826
91911	Chula Vista	17	144	76	59	\$140,000	\$151,500	17	220	77	72	\$133,000	\$125,000	200	200	96	103	\$202,500	\$216,000	10	74	51	56	\$222,250	\$218,500	14	200	96	103	\$216,000	\$200,000	18	87	51	65	\$221,000	\$210,000
91913	Chula Vista	9	68	186	119	\$215,000	\$215,900	10	74	51	56	\$222,250	\$218,500	143	142	118	118	\$237,500	\$235,000	13	136	29	81	\$210,000	\$220,000	143	142	118	118	\$235,000	\$237,500	13	136	29	81	\$210,000	\$220,000
91914	Chula Vista	20	143	142	118	\$237,500	\$235,000	13	136	29	81	\$210,000	\$220,000	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	\$0	\$0		
91916	Descanso	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	\$0	\$0		
91917	Dulzura	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	\$0	\$0		
91931	Guatay	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	\$0	\$0		
91932	Imperial Beach	9	61	98	94	\$87,450	\$115,000	6	49	106	106	\$15,000	\$173,000	24	143	142	118	\$237,500	\$235,000	13	136	29	81	\$210,000	\$220,000	6	49	106	106	\$15,000	\$173,000	13	136	29	81	\$210,000	\$220,000
91934	Jacumba	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	\$0	\$0		
91935	Jamul	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	\$0	\$0		
91941	La Mesa	4	34	100	106	\$154,500	\$155,000	3	47	68	81	\$176,000	\$172,000	10	88	85	79	\$116,500	\$150,000	11	128	102	89	\$15,000	\$15,000	10	88	85	79	\$116,500	\$150,000	11	128	102	89	\$15,000	\$15,000
91942	La Mesa	10	96	107	74	\$141,250	\$192,500	7	58	83	106	\$262,500	\$194,000	24	143	142	118	\$133,000	\$107,250	10	37	91	114	\$85,500	\$103,500	24	143	142	118	\$133,000	\$107,250	10	37	91	114	\$85,500	\$103,500
91945	Lemon Grove	2	24	125	74	\$133,000	\$107,250	10	37	91	114	\$85,500	\$103,500	13	210	102	96	\$145,000	\$150,000	11	128	102	89	\$15,000	\$15,000	13	210	102	96	\$145,000	\$150,000	11	128	102	89	\$15,000	\$15,000
91948	Mount Laguna	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	\$0	\$0		
91950	National City	4	62	171	94	\$59,950	\$110,000	6	53	42	98	\$99,000	\$104,000	24	143	142	118	\$15,000	\$150,000	13	210	102	96	\$145,000	\$150,000	13	210	102	96	\$145,000	\$150,000	13	210	102	96	\$145,000	\$150,000
91962	Pine Valley	0	1	0	412	\$0	\$35,000	1	1	37	37	\$33,000	\$33,000	13	210	102	96	\$145,000	\$150,000	13	210	102	96	\$145,000	\$150,000	13	210	102	96	\$145,000	\$150,000	13	210	102	96	\$145,000	\$150,000
91963	Potrero	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	0	0	\$0	\$0	0	0	\$0	\$0		
91977	Spring Valley	10	88	85	79	\$116,500	\$150,000	11	128	102	89	\$15,00																									



COMPARATIVE SALES - EXISTING HOMES - AUGUST 2010 SAN DIEGO COUNTY

	ATTACHED			DETACHED		
	Sales	% Change from Prior Year	% Change from Prior Month	Sales	% Change from Prior Year	% Change from Prior Month
1 Total Sales Volume August 2010	\$234,449,832	-8.047	0.968	\$847,173,026	4.640	0.630
2 Average Sales Price August 2010	\$261,955	-3.938	-1.852	\$503,670	4.951	-0.567
3 Median* Sales Price August 2010	\$220,000	-2.900	1.030	\$385,000	2.660	-1.280
4 Sold Listings August 2010	895	-4.278	2.874	1,682	-0.296	1.203
5 Average Days on Market August 2010	83	23.881	-4.598	75	8.696	5.634
6 Total Sales Volume August 2009	\$254,967,554			\$809,609,684		
7 Average Sales Price August 2009	\$272,693			\$479,911		
8 Median* Sales Price August 2009	\$226,575			\$375,000		
9 Sold Listings August 2009	935			1,687		
10 Average Days on Market August 2009	67			69		

	ATTACHED			DETACHED		
	Sales	% Change from Prior Year	% Change from Prior Month	Sales	% Change from Prior Year	% Change from Prior Month
11 Total Sales Volume YTD 2010	\$2,116,816,059	8.909		\$7,014,832,906	8.496	
12 Average Sales Price YTD 2010	\$269,075	6.805		\$497,576	13.645	
13 Median* Sales Price YTD 2010	\$220,000	10.000		\$385,000	11.590	
14 Sold Listings YTD 2010	7,867	1.970		14,098	-4.530	
15 Average Days on Market YTD 2010	81	6.579		72	-1.370	
16 Total Sales Volume YTD 2009	\$1,943,648,875			\$6,465,520,995		
17 Average Sales Price YTD 2009	\$251,931			\$437,836		
18 Median* Sales Price YTD 2009	\$200,000			\$345,000		
19 Sold Listings YTD 2009	7,715			14,767		
20 Average Days on Market YTD 2009	76			73		

Copyright 2010 San Diego Association of Realtors. Data for single-family attached and detached home sales through the Multiple Listing Service of Sandicor, Inc. Neither SDAR nor Sandicor guarantees or is responsible for its accuracy. *The median home price is the price where half of the homes sold for more and half sold for less. It is a more typical price measure than average, which can be skewed high by a relative handful of million-dollar plus transactions.

QUESTIONS ABOUT VA LOANS?

San Diego's
VA EXPERTS
From Pre-Approval To Close, We Get Your VA Deals Done

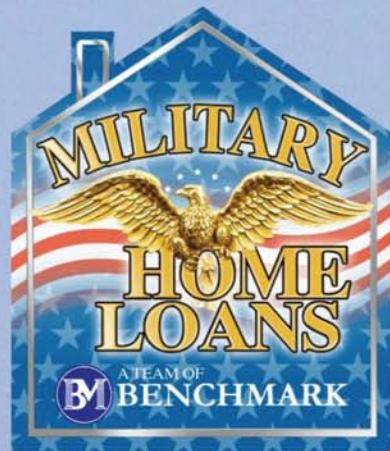
- We Close a VA Loan Every 3 days**
92% of the loans we do are VA
- Past Military Ourselves**
We speak BAH, LES, and PCS
- Local & Personal**
Making it easy for you and your clients
- Free Agent VA Training**
Insider secrets and real world solutions
- Online Agent Resources**
Offer writing examples, appraisal questions, condo complex approvals, etc. - all online for you

Need a pre-approval? Call today!

Military Home Loans
A team of Benchmark

619-422-5900

www.Mil-Loans.com



VA News You Need
When is Section 2 Termite Required?

Section 2 items are normally reserved for preventative items, and therefore **not required per VA guidelines**. However...

If the termite inspection calls an item Section 2, but include terms like "damaged", or "possible water damage, licensed inspector to investigate", then the section label doesn't matter. The **VA requires a house be "Sound"** and damage or possible damage will need to be resolved prior to close regardless.

For more details on this and other critical VA information please visit us at:
www.Mil-Loans.com
or email us at:
Info@Mil-Loans.com

COMMERCIAL CONDITIONS FAVOR BUSINESS GROWTH

Commercial real estate sectors, hurt by weak job growth, are offering incentives in many areas that are conducive to business expansion, according to the National Association of REALTORS®.

Lawrence Yun, NAR chief economist, said fallout from the recession continues to impact commercial real estate. "Vacancy rates are beginning to level off in some sectors, but rent discounts and moderate levels of landlord concessions are widespread," he said. "This is very much a tenant's market, which is quite favorable for businesses that are considering expansion. It's also encouraging that there is a modest improvement in the sentiment of commercial real estate practitioners."

The Society of Industrial and Office REALTORS®, in its SIOR Commercial Real Estate Index, an attitudinal survey of more than 600 local market experts, shows vacancy rates are beginning to level, but rents remain depressed, and subleasing space is high.

The SIOR index, measuring 10 variables, rose 2.8 percentage points to 41.0 in the second quarter, but remains well below a level of 100 that represents a balanced marketplace. This is the third consecutive quarterly improvement after nearly three years of decline; the last time the commercial market was in equilibrium at the 100 level was in the third quarter of 2007.

Fifty-seven percent of respondents expect improvements in the office and industrial sectors in the third quarter.

Commercial real estate development remains stagnant in all regions with low investment activity; 88 percent of respondents said it is virtually nonexistent in their markets, but development acquisitions are beginning to grow in many areas in what is described as a buyer's market.

Looking at the overall market, vacancy rates will shift modestly in the coming year according to NAR's latest "Commercial Real Estate Outlook." The NAR forecast for four major commercial sectors analyzes quarterly data in the office, industrial, retail and multifamily markets. Historic data were provided by CBRE Econometric Advisors.

Office Markets

Vacancy rates in the office sector, with high levels of available sublease space, are expected to increase from 16.7 percent in the second quarter of this year to 17.0 percent in the second quarter of 2011, and then ease later next year. The markets with the lowest office vacancy rates in the second quarter were New York City, Honolulu and Long Island, N.Y., with vacancies around the 9 to 11 percent range.

Annual office rent should fall 2.7 percent this year and decline another 2.1 percent in 2011. In 57 markets tracked, net absorption of office space, which includes the leasing of new space coming on the market as well as space in existing properties, is projected to be a negative 13.6 million square feet this year and then a positive 22.6 million in 2011.

Industrial Markets

Industrial vacancy rates are likely to decline from 14.1 percent in the second quarter of 2010 to 13.7 percent in the second quarter of 2011, and then continue to ease modestly as the year progresses.

The areas with the lowest industrial vacancy rates in the second quarter were Los Angeles, San Francisco, and Kansas City, with vacancies ranging between 8 and 11 percent.

Annual industrial rent is estimated to drop 5.4 percent this year, and to decline another 4.7 percent in 2011. Net absorption of industrial space in 58 markets tracked is seen at a negative 31.7 million square feet this year and a positive 157.2 million in 2011.

Retail Markets

Retail vacancy rates should hold steady at 13.1 percent in both the second quarter of this year and in the second quarter of 2011, with a level pattern for most of next year.

Markets with the lowest retail vacancy rates in the second quarter include San Francisco, Honolulu and Miami, with vacancies of 7 to 8 percent. Average retail rent is expected to decline 2.6 percent in 2010 and then flatten out, slipping 0.1 percent next year. Net absorption of retail space in 53 tracked markets is forecast to be a negative 2.3 million square feet this year and then a positive 6.4 million in 2011.

Multifamily Markets

The apartment rental market – multifamily housing – is benefiting from

modestly higher demand. Multifamily vacancy rates are likely to decline from 6.0 percent in the second quarter of this year to 5.6 percent in the second quarter of 2011.

Areas with the lowest multifamily vacancy rates in the second quarter include San Jose, Calif.; Pittsburgh; and Philadelphia, with vacancies of less than 4 percent.

With additions from new construction, average rent should slip 0.6 percent in 2010, and then hold even in 2011. Multifamily net absorption is expected to be 105,200 units in 59 tracked metro areas this year, and another 138,000 in 2011.

Reprinted from REALTOR® Magazine Online August 2010 with permission of the National Association of REALTORS®. Copyright 2010. All rights reserved.

MD PLUMBERS

Free Estimates!

The REALTORS® Choice
Complete Residential & Commercial Service

858.456.0595

www.mdplumber.com

Ask us about billing through escrow



License#670172

SUN DIEGO TC

We coordinate Short Sale Transactions for Agents

- DRE licensed Corporation, and insured specifically to Coordinate Short Sales.
- Coordinating Short Sale transactions is a full time job; Agents already have a full time job.
- Service, success and communication are what set us apart.

BRIAN ROWLEY
Regional Sales Manager

619-846-0166

brianrowley@sundiegotc.com

www.sundiegotc.com

Call us today and find out why we are known as 'An Agent's best friend'.

CA DRE license # 01878270

REALTOR® PLUS+ MEMBERSHIP

SDAR created an enhanced program that will better position you to increase your exposure to buyers and sellers, help you stay ahead of your competition through critical education about new laws, risk management, and new trends in real estate, as well as provide some assistance in maintaining your day-to-day ability to conduct business. Our REALTOR® Plus+ membership provides:

- VIP exposure to buyers/sellers on SDAR's consumer section of www.sdar.com

- Enhanced profile which includes:
 - REALTOR® photo
 - Preferred ranking in REALTOR® database search results
 - Up to 5 web links
 - Marketing summary/bio
 - Languages & Designations
- 3 FREE PC Repairs (1 extra from standard membership)
- 15% OFF all education classes
- 15% OFF all retail store purchases (excludes SentriLock® products)

SDAR.com Buyers/Sellers section

SDAR's Buyers & Sellers section provides consumers with:

- Benefits of using a REALTOR®
- REALTOR® search
- Property Search
- Home buying tools
- Home selling tools
- Home loans and assistance programs
- Property inspections and appraisals information

- Housing partner links
- Additional resources (foreclosures, remodels, news, utilities, and more)
- Rental information and listings

Buyers and Sellers are able to do a search of our entire database of REALTOR® members which includes information like name, broker/office name, address, and phone number.

REALTOR PLUS+ MEMBERS (as of 9/01/2010)

Cameron Abbott
Michael B. Acker
Patti Adams
Vadim A. Agamirzoyan
Lizet Aguinaga
Martha Aldana-Vidriales
George Alexiou
Osama Alkasabi
John Altman, CCIM, CRS, CRB, SRS
Branden D. Anderson
Chris H. Anderson
Tad Anderson
Carmen M. Avalos
Richard H. Bandy
Fiel A. Barrow
Wivinia Bascos
Chad Basinger
Megan A. Beauvais
Cynthia Bell
Glenn S. Bennett
Ghana Bigsby
Bernt Bjontegard
Brenda Blake-Cooper
Christa Borellini, SRS
Brendan Bracken
Liliana Bristman, TRC, SRS
Natasha Brkovic
Barbara J. Brokaw, CRS, CRP, ABR,

Erin W. Brown
Ronald Brown
Raylene Brundage
Kevin M. Burke JD
James Burnett
Benjamin L. Bustria
Freddie Bustria
Michael L. Cameron
Vicky Campbell, GRI, CRS, RMS, PMN
Carl D. Carlsen
Judy Carr
Joe Carta
Andrea L. Carter
Michael A. Carter
Rick Carter
Sean C. Cartlidge
Judith D. Casale
H. Christian Castner
Carole R. Cesareo
Sarah Champagne
Bobette A Chapman
Diana S. Chapman
Daron J. Chelette
Yu-Ching Chiang
Antony Chipounov
Fred W. Christlieb
Toni M. Church
Janice P. Clements

George N. Coleman, Jr.
Carla Coshow
Tonya Courtney
Diane Craik
Gary C. Crocker
Ligaya Cruz
Lorena R. Daniel
Janice P. Davis
Tracee L. Denby
Greg Dillon, GRI
Teresa Dillon
Hope Dills, RMS
Anahid Dolbashian
John T. Dore
Kimberly Dotseth
Barbara L. DuDeck
Loretta I. Dunbar
Jeff Eldridge
Ryan Eldridge
Justin Epstein
Debbie L. Faremouth
Carla Farley
Randy Fazekas
Alonso Fernandez
Kirsten R. Ferrer
Ginni Field
Dee Marie Fisher, GREEN
Beatrice Flannagan

Steven Fraioli
Mark Friedman
Diane M. Galigher
Charles Garner, Jr.
Kerry Garnett
Catherine Gay
Amory S. Gerhard
Jeff Gideon
Bruce Glaser
Julie Goedert
Melissa Goldstein Tucci
Edward E. Goold
Roxanne Govari, ABR, SRS
Agatha Graney
Manfred Gratz
Alice Grelak
Larry S. Grey
Arnel Guanzon
Victor Guerrero
Keron Gustafson
Nadia Haddada
Andrew Hall
Terri Hall
Arthur Hallman
Kamran Hamasian
J. Rob Handley
Peggy A. Harrington
Linda L. Harris
Sean T. Harris
Elayne Hartsell
Cristina L. Harvey
Jeff Harvey
Sherry Hayward
Michelle Hellerud
Shonee Henry
Marigold Hernly
Philip Hessling
Dan Hill
Elizabeth Hoffman
Gary Hoffman
James R. Holland
Allan B. Hollenberg
Chris Hoover
Kevin Hopkins
Robert Horby
Judy Beechu Hsieh, GRI, ABR, SFR
Lydia Hsu
Brian T. Hughes
Terri Ibarra
Yolanda Iloski
Danny Ingorsoll
Caryl Iseman, GRI
Oliver James
Matt S. Johnson
Nathan M. Jones, MBA, CNE, CDPE
Sharon Kahn
Lana Kamouh
Jason S. Kardos
Marianne Kendall
Don Kenney, GRI, CRS, SRES, e-PRO
Bill Klees, CLPS, CRS, CRB
Saul D. Klein GRI, e-PRO
Maria G. Knapp
Brandy Knight
Lezley Knott
David Koch
K.J. Koljonen
Robert Kopaniasz
Linda Kuczynski
Irina Kumits, SRS
Alexander Kybal
Andrey Lam
Richard I. Lara
Long N. Le
Teresa Learner, ABR, e-PRO, SRS
Corrine LeCates
Linda Lee
Hope Leitner
Emilio L. Lemeni
Paul R. Lennon
Mark Lewinthal
Yvonne Lillo
Denise Lisa
Christina Liu
Mohammad R. Loghavi
Daniel A. Lorber

George Lorimer, GRI, CRS
Jane Loveday
Wade Lovell
Kathleen Low, SRS
Andrew Lucas
Martha L. Luce, e-PRO, SFR, SRS,
Angie M. Luna
Theresa Lusignan Johnson
James Mabry, e-PRO
Garry Major
Victor L. Marquez
Renzo Marsano
Barbara Marsh
Susan D. Marshall
Louisa H. Martin
Stephanie Martin
Adelia Martino
Anna Marzouk
Deborah Mattas
Denise E. Matthis
Joseph E. Maull III
Pia A. Mc Neill
Diane S. McDonald
Renee McIver
Kelly K. Menck
Ethel Merriman
Elena Milkova
Christopher Millar
Beverly Miller, RMS
Kimi L. Moore-Macias
JoNell R. Moss
Gretchen Myers
Jeni Narukatpichai
Matthew L. Negrete
Nadine C. Nelson
Be Nguyen
Nora Nido
Clara Norris
Stephanie J. Norvell
Patricia Nunez Odermatt
Ann Marie O'Brien
Alexei O. Ochola
Claudia M. Ortiz, GRI, SRES
Marlene Pace
Maximiana P. Paredes
Patrick Park
Donna Patrick
John M. Pavin
Uta Peckman
Karen Pellettera
William Perks, SRS, GRI
Lorraine A. Perrino, GRI
Tony Xuan Phan
Steve Pike
John S. Piszkin
Kenneth T. Pitt
Lisa Plourde
Dale E. Politte
Rebecca S. Pollack-Rude
Jamie Potts
Kathleen Pugh
William Purviance
Hazem Qabouq
Kamran Rahbar, GRI
Kavita Rajaratnam
Corazon V. Ramos
Dianne S. Rath
Emmanuel Y. Rayes
Victoria Reel-Kersch
Heidi Reeves, SRS
Robert S. Reinish
Kylie E. Reiter
Stephanie A. Renker
Ernest J. Reyes
Robin Robbins
Sophia Robinson-Parente
Stacy Roby
Edward A. Rodriguez
Barbara Rolando, GRI, CRS
Hilani Romero
Ilana S. Rosenblatt
Vernice Ross
Kelly Rudiger
Artcelyn Ruiz
Karla Ruiz
Christopher R. Ryan

Alejandro Saavedra
David Saikaly
Jack J. Salazar
Gilbert Salinas
Albert A. Salon
Audrey M. Sanchez
Nancy B. Sanchez
Marilyn Sanderson
Donna L. Sanfilippo
Melo-de B. Savage
Jerry Scala
Richard Schaumburg
William Scheibner
Donna W. Schempf
Donna M. Seals
David Seaton
Julie Seebruch
Ian Sells
Ashley Shapiro
Raquel Shapiro
Prashila D. Sharma
Luann Shaun
Raymond Shay
Theresa P. Shay
Michael Shepard
Cecil Shuffler
Anna Sick
Sue Silva
Robin Simon
Richard Slater
Ed Smith Jr., SRES
Victoria Smith
Tom Spicci
Gary Spicer
Carol Stanford, ABR, SFR, CID
Terri J. Stevens
Jolyn Stoffel, SFR
Jason Stroder
Barbara M. Strona, CRS, SRES, GRI
James J.R. Sullivan
Kristen Susemihl
Kenneth J. Tablang
Jennifer Tetrault
Alexander Thomas
Elaine A. Thomas
Ann M. Throckmorton
Asamawari Tobin
Zachary Todaro
Christopher N. Toogood
Mark Tourgeman
Angela Travers
Greta B. Treadgold
Frances Tseng
Stephen M. Udoff
Violeta Valenzuela
Deborah Vande Berg
Shakun Vasani
Joyce Vignoles
Lynne M. Villanueva
Scott Waid, ABR, CRS
Scott Walke
Jennifer Walker
Ellen Wang, GRI
Erik A. Weichelt
Shanna Welsh
Pamela Wenhe
Michael West
Brian Westre
Robert B. Weurding
Noel Wheeler
Christine M. Whitacre
Melissa Wilcoxson
John E. Williams
Gideon Wiseman
Robert J. Wolf
Anthony Wolfe
Lela T. Woods
Erkan S. Yanc
Elena Yu
Brian Yui
Phyllis Zeitman
Cathy Zeman
Yunjing Zhang
Valerie Ziegenfuss
Mindy S. Zink

Please note: For any changes to spelling or designations, please contact your concierge team member directly or the Member Services department at (858) 715-8040.

Don't Replace, REFINISH!

Fast Turnaround
Ready To Use
The Same Day!

Cracks - Chips - Scratches
Weak Bottom Reinforcement
Rust - Tile Damage

- Repair / Restore ALL Bath and Kitchen Surfaces
- Laminate / Formica Countertops Refinishing
- Expert Grouting & Caulking Service
- Clawfoot Bathtub Refinishing
- Tile Countertops Refinishing
- Pedestal Sink Refinishing
- Countertop ReColoring
- Wall Tile Reglazing
- Countertop Repair



- Tub Showers
- Shower Stall
- Porcelain Tubs
- Bathroom Tiles
- Sink Bowls
- Bathroom Vanity Top
- Kitchen Countertops
- Kitchen Sinks
- Formica

CALL: 800-516-7299

Visit Us Online At:
www.3in1Refinishing.com
For A Complete List Of
ALL OUR SERVICES!

Mention Code
SDAR10 For 10%
Off Entire Order

Proud
Member
of The
SDAR
SAN DIEGO ASSOCIATION OF REALTORS®
The Trusted Voice of San Diego Real Estate



IT'S YOUR BUSINESS... TRAINING

By J.R. Thrasher

Most agents spend more time planning their family vacation than they do planning for the success of their business. It's true: Less than 5% of all agents currently have a formalized business plan. This series of articles examines the components of creating a successful real estate business plan.

Last month we covered "Systems Are Critical." It was a truly comprehensive article detailing buyer and seller systems. If you missed the article you will find it online at www.sdar.com. In this article we will discuss the importance of training.

Why do professional athletes continually train? Why do they hire personal coaches? It's a great question, and the reason is simple: To be at their very best, they arm themselves with every tool possible to be successful! You know where I'm going with this. If you aren't enrolled in classes to enhance your real estate knowledge, you are setting yourself up for failure. Coaching, training, and mentoring are essential for your success and are a HUGE part of your business plan.

Training

Training should never stop. Training in the real estate industry has become an over-used and often over promised reality. Basic real estate training should also reflect the current market conditions so that you are able to present, close and handle objections as well as develop successful business systems!

Therefore, in its basic form, training should include contracts, buyer and seller representation, lead generation, business planning and contract management. The course of information should never be presented by people who haven't actively sold real estate ... period!

If you want to be successful, find someone who has achieved the results you want and copy what they do and you'll achieve the same results.

-- Anthony Robbins

Additionally, find and take classes on internet, sales & listing techniques, customer service and computer skills. You will be amazed at what you can learn and will transfer into your business and pocketbook. Make an effort to find it and implement it.

Coaching Works

Professional athletes Michael Jordan,

John Elway, David Beckham, Wayne Gretsky and Tiger Woods all had something in common: a coach! You could easily say that the best in the world may even have multiple coaches.

The real estate business is really no different. When you are looking for that "perfect" coach who is going to guide your career and training, you will probably do an evaluation before making that huge decision.

Here is what you might look for:

KNOWLEDGE:

Remember, the perfect coach may not know the answer to ALL of your questions, but can guide you to find the right answer. They should be able to help you develop that interdependence in real estate and at the same time not be dependent upon them for your success – that part is up to you.

BEING ACCOUNTABLE:

It's fair to say that most of us don't want to be held accountable. And it's also fair to say most people got into the real estate business because they want to be their own boss. The reality of the situation is that without accountability, the percentage of you in the 95% group instead of the 5% group is

enormous. Without accountability your plan is not worth the paper on which it is written. Don't waste your time or money with seminars unless you have a continuing plan of accountability built into the program. As a business owner it is your responsibility to have systems and tools put into place that will ensure the growth and stability of your organization. If there is no mechanism for accountability for each segment of the business, how will you measure your success as an agent? Do you know your set and close ratios? Why is the set and close ratio important to your business? It is a great question and one that we will explore soon.

As you can see, it is important to give ample consideration to your plan, your system and have a complete understanding of your commitment level and direction. We can help you with this important process. If you have questions or would like to comment on what you have read today, please call or e-mail us.

Remember, it's your business...

For questions regarding your business planning needs you can contact J.R. Thrasher at 619-704-2290 or e-mail at Thrasher@CentrixUSA.com.

RISK MANAGEMENT

page 7 ▼

2. The written statement under penalty of perjury must be provided to both the equity seller and equity purchaser prior to transfer of any interest in the subject real property.

Should these requirements not be fulfilled, the equity seller may choose to have the purchase contract voided by the court. Even if the seller cancels, the equity purchaser is liable for all damages caused by the failure to comply with these requirements.

C.A.R. form DPL, "A Declaration and Proof of Real Estate License" satisfies this written statement requirement. In addition you are to attach a copy of both the agent and broker license OR provide a copy of the Department of Real Estate printout.

Additionally, C.A.R. has the following forms to comply with the HESC laws:

Notice of Default Purchase Agreement (C.A.R. Form NODPA). The NODPA is the purchase agreement to be used for HESC transactions printed in the statutorily-required format. One of the format requirements is 10-point font text as well as 14-point font disclosure setting forth the seller's right of rescission.

Notice of Cancellation of the Notice of Default Purchase Agreement (C.A.R. Form HENC). The HENC is the form for the equity seller to use if the seller desires to cancel the sale within 5 business days of signing the contract. Two copies of the HENC must be completed in full except for the equity seller's signature. The cancellation date and time to be written on this form is midnight of the date 5 business days after the equity seller signs the contract or 8:00 am of the trustee's sale date if that will occur sooner.

Because these are highly complex transactions that can involve serious legal consequences, you may wish to consult your manager before proceeding. If buyers or sellers have questions regarding the legal consequences of these transactions, refer them to their legal counsel for guidance.

Should you have additional questions, please do not hesitate to contact me at kathy.mehringer@camoves.com. As an additional resource you may wish to review the California Association of REALTORS® Q & A at <http://www.car.org/legal/2008articles/home-equity-sales-contracts/>



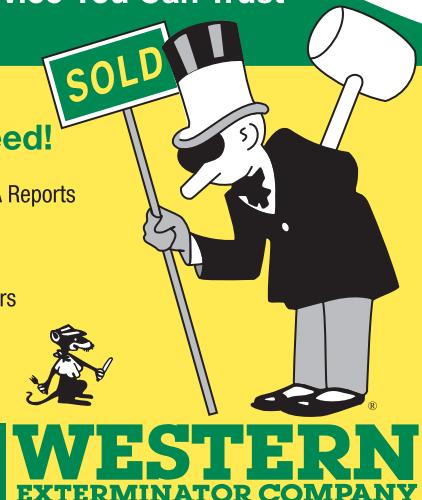
Nearly 90 Years Experience...
Personalized Professional Service You Can Trust

100% Satisfaction Guaranteed!

- Professional Service for Realtors on Escrow & FHA Reports
- FREE Residential Termite Inspection
- \$25 for Individual Condo Inspection
- \$50 Emergency Inspection and Report within 24 hrs (when you mention this ad)
- Damage Repairs

Open Mon - Sat
www.west-ext.com

1-800-WEST-EXT
1-800-937-8398



Family Pride In Excellence Since 1921

HOME MORTGAGE

Whether you are buying a new home or considering building a new home, U.S. Bank Home Mortgage can help you analyze your options. We originate mortgage loans for new purchases and refinances of primary homes, vacation homes and investment properties.

- First-time Home Buyer Programs
- Low Money Down Options
- Conventional and FHA and VA loans
- Fixed and Adjustable Rates (ARM)

- Interest Only Options
- Competitive Rates
- Purchases and Refinances
- Call TODAY for details!

All of us serving you™

Joe Detmer
5787 Chesapeake Ct, Ste 102
San Diego, CA 92123
858-720-7144 direct
joe.detmer@usbank.com

Chuck Helsel
5787 Chesapeake Ct, Ste 102
San Diego, CA 92123
858-720-7014 direct
chuck.helsel@usbank.com

Ernie Becerra
5787 Chesapeake Ct, Ste 102
San Diego, CA 92123
858-720-7015 direct
ernie.becerra@usbank.com

Jodi Favish
5787 Chesapeake Ct, Ste 102
San Diego, CA 92123
858-720-7019 direct
jodi.favish@usbank.com

Lee Ann Magliozi
5787 Chesapeake Ct, Ste 102
San Diego, CA 92123
858-720-7078 direct
leean.magliozi@usbank.com

John Hicks
4747 Executive Dr, 3rd fl.
San Diego, CA 92121
858-720-0783 direct
john.hicks@usbank.com

Janeen Patterson
5787 Chesapeake Ct, Ste 102
San Diego, CA 92123
858-720-7146 direct
janeen.patterson@usbank.com

Terry Doering
5787 Chesapeake Ct, Ste 102
San Diego, CA 92123
858-720-7013 direct
terry.doering@usbank.com

Tony Tyson
5787 Chesapeake Ct, Ste 102
San Diego, CA 92123
858-720-7003 direct
tony.tyson@usbank.com



Loan approval is subject to program guidelines. Not all loan programs are available in all states for all loan amounts. Interest rate and program terms are subject to change without notice. 62909091419 Member FDIC

EDUCATION SPOTLIGHT – WHY NOW IS THE TIME TO BUY REAL ESTATE

By Joseph Still CIA, CCA, CCIM
Still Training, LLC

I have something to sell you. It went up in price about 20% in value per year for the past 4-5 years. Nobody really knew what it was worth, but people kept paying more for it. People liked it so much that even when it was losing cash every month they kept paying more. Investors got rich. How much yours was worth was the talk of every social gathering. Government agencies increased their coffers from tax collection.

Then the price started to fall. And it kept falling. About 20% per year since it's peak. Now the "experts" say it's done. The media talks about the tragedy it has become. There seems to be no end in sight. Suddenly real estate is the new "bad" investment.

Should you buy it?

The Indicators

With this article being titled "Why now is the time to buy real estate," many people ask if we are "at the bottom." But that's not the question. The question is, "Is the property a good deal?"

To answer that question, here are the indicators to watch:

1. Values
2. Cash flow
3. Price of money
4. A balancing of fundamentals
5. Are decision makers smart?

1. Values

If you can buy the same things today for far less than what you could two or three years ago, you have created value. Unlike other investments, in real estate a buyer offers a price. Offer less, and all things being equal, you will make more. Seem simple? Good, because it is.

Most real estate agents still use the "comp" (comparable sale) method to price properties today. But common sense tells us that just because something was worth "X" six months ago doesn't mean it is worth "X + 1" (or even X - 1) today. A property that was sold for \$800,000 two years ago might sell for \$400,000 today. Values have dropped.

2. Cash flow

Rents in most housing markets have remained stable. In some markets they're even stronger than before, due to simple supply and demand forces. Why? Displaced homeowners (from foreclosure or short sale) still need a place to live.

In the past decade, rents generated from smaller properties could not support debt service on them. With the price correction of the last two years, values have decreased, but cash flows from rents have remained fairly stable or increased. Properties that couldn't cash flow previously, now just might. The last six years was an "appreciation" cycle. Today it's a "cash flow" cycle. Today is an excellent time for the "small property investor" to get in.

3. Price of money

The current U.S. economic policy can be described as "flooding" the capital markets with cheap money. While underwriting criteria are stronger than they have been, there is no doubt that this is one of the best times

this century to borrow on fixed long term debt. Bond markets can't bid any lower, and foreign investors (who buy most of the U.S. long term debt) probably won't settle for less than the financial markets are now offering. In other words, interest rates can't go any lower.

4. A balancing of fundamentals

Real estate is a "fundamentals" game. The basic components that create real estate investment value are immune to cycles and bubbles—they are fundamental: cash flow, appreciation, leverage, and time. The last real estate "bubble" saw a dramatic rise in prices based on appreciation, the cost and availability of money, and emotion. In the new market, as prices drop, rents stabilize (or increase) and money is cheap, the fundamentals for buying properties become enhanced. Even excellent.

5. Are decision makers smart?

Viewed through one lens, pricing in the "old" real estate model was a kind of "ponzi scheme." A seller set a price, a broker validated it with a "comp," an appraiser validated it again with the same comp, and the bank funded based on the appraiser's opinion. Everything was priced based on what someone already paid. In this model, it's not hard to understand that eventually that bubble would pop. In the "new" real estate, appraisers control much more of the price/value equation, and banks are more concerned than before (as they should be). Yet, just because a property appraises for a price doesn't mean that's what it's really worth. (Remember X + 1 and X - 1 over the six month horizon?) And it doesn't mean that's what you should pay for it. Remember: pay less for the same thing and you have created value. Instantly.

Become the Expert

Certified Investment Analyst™ (CIA) training teaches the baseline skills and advanced methods of valuation and deal making that most people don't know. CIA training will teach you how to measure the real value of a property, how to model its investment performance, how to structure ownership to save on taxes, how to make deals that nobody else is making, and how to safely protect the wealth you have created from taxation and potential legal claims. Whether your deal is a short sale, a foreclosure, or a traditional deal, CIA training will show you what you need to know. To learn more visit www.certifiedinvestmentanalyst.com.

Certified Investment Analyst™ (CIA)

**Thursday and Friday,
September 30 & October 1**

Topics Covered

- Review of the HP financial calculator
- The Time Value of Money
- The Cash Flow "T"
- The Cash Flow Worksheet
- Capital gains analysis
- Measuring the measurements of return
- Case study practice session
- Introduction to installment sales
- Structure/measure installment sales
- Overview of tax consequences
- Comparing investment alternatives
- Sale for cash, installment sale, 1031 exchange
- Case study practice session

Instructor: Joseph Still, CIA, CCA, CCIM

Time: Thursday: 8:00 a.m. – 5:00 p.m.
Friday: 8:30 a.m. – 5:00 p.m.

Location:

San Diego Association of REALTORS®
4845 Ronson Court, San Diego, CA 92111

Price:

SDAR REALTORS® Pre-registration \$349
Day of class \$369

Visit www.sdar.com to register.

The opinions in this column are those of the author and not necessarily the opinions of the San Diego Association of REALTORS®, the California Association of REALTORS®, or the National Association of REALTORS®.

An exceptional neighborhood deserves exceptional service.

When you call Bank of America, you can rest assured that our top priority is providing the information you need to make well-informed home financing decisions. With our commitment to responsible lending, we help qualified homebuyers become satisfied and successful homeowners. We bring personal service to the neighborhood, including:

- Extensive industry experience
- A wide variety of home lending options
- A convenient and efficient home loan process

As part of Bank of America Home Loans, we will work closely with you to make sure your home financing experience is one that you'll be glad to tell your friends and associates about.

To purchase or refinance with confidence, contact the Carmel Valley branch today.

Address: 12340 El Camino Real • Suite 325 • San Diego, CA 92130

Sean Barry

Retail Sales Manager
858.847.6319 Office
858.945.4314 Cell
sean.a.barry@bankofamerica.com

Daniel Schroeder

Senior Mortgage Loan Officer
858.847.6313 Office
760.310.6979 Cell
daniel.g.schroeder@bankofamerica.com

Michael Dillon

Retail Sales Manager
858.847.6317 Office
619.954.7649 Cell
michael.dillon@bankofamerica.com

Tim Treibach

Retail Sales Manager
858.847.6320 Office
858.210.5662 Cell
tim.treibach@bankofamerica.com

Bill Gaylord

Retail Sales Manager
858.847.6335 Office
858.776.6830 Cell
bill.gaylord@bankofamerica.com

John Woolson

Retail Sales Manager
858.847.6311 Office
619.742.4297 Cell
john.woolson@bankofamerica.com

Markeita Roush

Renovation/203K Specialist
858.847.6310 Office
markeita.roush@bankofamerica.com

Scot Zwonitzer

Mortgage Loan Officer
858.847.6312 Office
858.243.8633 Cell
scot.zwonitzer@bankofamerica.com



Bank of America, N.A., Member FDIC Equal Housing Lender
© 2010 Bank of America Corporation. Credit and collateral are subject to approval. Terms and conditions apply. This is not a commitment to lend. Programs, rates, terms and conditions are subject to change without notice.
100519 04-2009 AR77767

Bank of America  **Home Loans**

SDAR Education Schedule - Sept/Oct 2010

LEGEND: KEARNY MESA SOUTH COUNTY EAST COUNTY CORONADO

Classes subject to change or cancellation.
Check www.sdar.com for current information.

September	Class Name	Time	SDAR	All Others	Credits	Presenter
23	VA Seminar for REALTORS®	9:00 am – 11:00 am	\$10	\$15	NA	Karen Bates & Ken Bates
23	Pricing/CMA: The Power of "Sold"	9:00 am – 12:00 pm	\$19	\$25	NA	John Altman
27	Effective Negotiating	9:00 am – 4:00 pm	\$99	\$109	NA	J. Alan Sappenfield
28	Property Management: Challenges & Opportunities	9:30 am – 11:30 am	\$15	\$20	NA	Rick Snyder
28 & 29	Senior Real Estate Specialist Designation Course	8:30 am – 4:00 pm	\$359	\$399	NA	J. Alan Sappenfield
29	WordPress/Blogging for REALTORS®	Class: 9:00 am – 12:00 pm Lab: 12:15 pm – 1:45 pm	Class: \$24 Lab: \$19	Class: \$29 Lab: \$25	NA	Drew Burks
29	Power of Analysis	9:30 am – 12:30 pm	\$19	\$25	3 CP	Kathy Biewenga
29	Power of Exchange	1:30 pm – 4:30 pm	\$19	\$25	3 CP	Kathy Biewenga
30	Your Listing Presentation	9:00 am – 12:00 pm	\$19	\$25	NA	John Altman
30	Green Home Experts Program	11:30 am – 1:30 pm	\$15	\$20	NA	SDG&E
October	Class Name	Time	SDAR	All Others	Credits	Presenter
Sept. 30 & Oct. 1	Certified Investment Analyst Designation Course	Sept. 30: 8:00 am – 5:00 pm Oct. 1: 8:30 am – 5:00 pm	\$349	\$349	NA	Joseph Still
4	Property Management: Challenges & Opportunities	9:30 am – 11:30 am	\$81	\$90	NA	Rick Snyder
5 & 6	NAR's Green Designation Course (RMS Members: \$249)	8:30 am – 5:00 pm	\$269	\$349	Pending	J. Alan Sappenfield
5	zipForm® Online Lab	9:30 am – 12:30 pm	\$35	\$42	NA	Kimber Backlund
11 & 12	Get Acquainted with Other Contracts (RMS Members: \$150)	9:00 am – 4:00 pm	\$188	\$206	10 CP	Kent Sharp, Esq.
12	Tempo Training - Day 1	9:15 am – 4:30 pm	Free	Free	NA	Sandicor Trainer
13	WCR Seminar: Network and Referral Systems	9:00 am – 4:00 pm	\$99	\$109	NA	Barbara Safran
18, 20, 22 25 & 27	Fall Extravaganza (Earn 45 DRE Credits in 5 Days or Take Classes Individually)	8:00 am – 6:00 pm	\$198	\$279	45	Various Instructors
19	Tempo Training - Day 2	9:15 am – 4:30 pm	Free	Free	NA	Sandicor Trainer
26	Red Flags: Natural Hazard, Title & Termite (RMS Members: \$65)	9:00 am – 1:00 pm	\$81	\$90	4 CP	Michael Spilger, Esq.
27	FHA: It's Not Just for First-Time Home Buyers	10:00 am – 12:00 pm	\$15	\$20	NA	Henry Aguirre
27 & 28	Certified Negotiation Expert Designation	8:30 am – 5:00 pm	\$179	\$199	15 CP	John Wenner
28	zipForm® Online Lab	9:00 am – 12:00 pm	\$35	\$42	NA	Kimber Backlund
29	Buyer/Seller or Landlord Tenant (RMS Members: \$80)	9:00 am – 4:00 pm	\$100	\$110	5 CP	Lynn Dover, Esq.

For easy registration and more information, visit www.sdar.com or call (858) 715-8040



Professional Interior & Exterior Painting

Brad Stoner Painting's professional, uniformed staff has the training and workmanship to get your job done right. Realtors throughout San Diego have relied on Brad Stoner Painting since 1986 for on-time, on-budget residential and commercial painting.

- Bonded and Insured
- Prompt and Professional

- We work with YOUR schedule



Call Now!
858.586.7751
or 619.262.9222



www.bradstonerpainting.com

REALTORS® ...

Are you looking for a quality property management company that you can trust with your valuable client referrals?

Look No Further!

Since 1982, we have managed thousands of rental properties for investment property owners throughout San Diego. Let us show you how our unique approach to property management builds total client satisfaction.

- Innovation that has consistently set us apart from the competition
- Written "Client Protection Guarantee" that honors your valuable client relationship
- Earn \$250.00 for each new account referral. Highest fee paid in the industry!

Call today or visit us at www.mckeecompany.com to learn why we are the Realtors #1 Choice in San Diego!

Call Brendan McKee @
619-890-7682
www.mckeecompany.com



"A Tradition of Quality... A Commitment to Excellence"

OCTOBER 2010 CALENDAR OF EVENTS



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	SDAR COMMITTEE MEETINGS
							FALL EXTRAVAGANZA October 18, 20, 22, 25 & 27 Earn all of your 45 DRE renewal credits in 5 days! Visit www.sdar.com for details.
3 <i>"Real Estate Today"</i> on AM 600 KOGO 9:00 am– 10:00 am	4 New Member Orientation 8:30 am – 5:00 pm (Kearny Mesa) Property Management 9:30 am–11:30 am (South County)	5 NAR's "Green" Designation (Day 1) 8:30 am–5:00 pm (South County) Real Estate Exchangers 8:30 am–11:00 am (Kearny Mesa) zipForm® Online Lab 9:30 am–12:30 pm (Coronado)	6 NAR's "Green" Designation (Day 2) 8:30 am–5:00 pm (South County)	7	8	9	
10 <i>"Real Estate Today"</i> on AM 600 KOGO 9:00 am– 10:00 am	11 Get Acquainted with Other Contracts (Day 1) 9:00 am–4:00 pm (Kearny Mesa) Real Estate Exchangers 8:30 am–11:00 am (Kearny Mesa) Get Acquainted with Other Contracts (Day 2) 9:00 am–4:00 pm (Kearny Mesa) Free Tempo Training (Day 1) 9:15 am–4:30 pm (Kearny Mesa)	12 WCR Seminar: Network & Referral Systems 8:00 am–5:00 pm (Kearny Mesa) South County Pitch Session 9:00 am–10:00 am (South County)	13	14	15	16	
17 <i>"Real Estate Today"</i> on AM 600 KOGO 9:00 am– 10:00 am	18 Fall Extravaganza 8:00 am–6:00 pm (Kearny Mesa) Real Estate Exchangers 8:30 am–11:00 am (Kearny Mesa) Free Tempo Training (Day 2) 9:15 am–4:30 pm (Kearny Mesa)	19 Fall Extravaganza 8:00 am–6:00 pm (Kearny Mesa)	20	21 Fall Extravaganza 8:00 am–6:00 pm (Kearny Mesa)	22 Fall Extravaganza 8:00 am–6:00 pm (Kearny Mesa) Distressed Homebuyer Clinic 8:00 am–5:00 pm (Kearny Mesa)	23	
24 <i>"Real Estate Today"</i> on AM 600 KOGO 9:00 am– 10:00 am	25 Fall Extravaganza 8:00 am–6:00 pm (Kearny Mesa) Real Estate Exchangers 8:30 am–11:00 am (Kearny Mesa) Red Flags: Natural Hazard, Title & Termite 9:00 am–1:00 pm (Kearny Mesa)	26 Fall Extravaganza 8:00 am–6:00 pm (Kearny Mesa) Certified Negotiation Expert (Day 1) 8:30 am–5:00 pm (Kearny Mesa) FHA: It's Not Just for First-Time Home Buyers 10:00 am–12:00 pm (East County)	27 Certified Negotiation Expert (Day 2) 8:30 am–5:00 pm (Kearny Mesa) zipForm® Online Lab 9:00 am–12:00 pm (Kearny Mesa)	28 GRI: Money Making Strategies for Success 8:00 am–5:00 pm (Kearny Mesa) Buyer/Seller or Landlord/Tenant 9:00 am–4:00 pm (Kearny Mesa)	29	30	
31							
							All classes/events subject to change or cancellation.

All classes/events subject to change or cancellation.

The background image shows three professionals in a modern office setting. A man in a grey suit and red tie stands behind a woman in a black blazer and white shirt who is looking down at her laptop. To the left, another man in a dark suit and blue tie is also focused on his laptop screen. The overall atmosphere is one of productivity and teamwork.

The logo for Utopia Mortgage & Real Estate. It features the word "UTOPIA" in a bold, sans-serif font at the top. Below it is a stylized graphic of a city skyline with a rising sun or moon over it. Underneath the graphic, the words "MORTGAGE & REAL ESTATE" are written in a smaller, all-caps font.

80% SPLITS
ON REAL ESTATE AND LOANS

BENEFITS:

- No Monthly Fees
- No Franchise Fees
- Work Full or Part time
- We Pay E&O
- Free-Agent Workstations
- Free Use of Conference Rooms
- No Mandatory Meetings or Floor Time
- Do Both Real Estate and Loans

CALL US TODAY FOR MORE INFO OR TO
SCHEDULE A CONFIDENTIAL APPOINTMENT

**858.751.5700
800.294.4656 x160**

Utopia Management our parent company is San Diego's
Largest Management Company of Single Family Homes
and Condos.

For management services call 858.598.1111

We Pay referral fees to agents referring management clients to us.

The logo for Utopia Management. It consists of the word "UTOPIA" in a bold, blue, sans-serif font at the top. Below it is the same stylized city skyline and sun icon as the main logo. At the bottom, the word "MANAGEMENT" is written in a smaller, all-caps font.